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## ANNEX I - PRODUCTION REPORT

1. This report considers the NIS Production Program for FY 1950 in four stages:

- a. Material in process in the Intelligence Agencies.
- b. Production requirements and submission of Agency approved draft material.
- c. CIA processing of Agency approved draft material.
- d. Publication of NIS material.

2. NIS Material in Process in the Intelligence Agencies

a. The NIS material in process in the Intelligence Agencies is in varying stages of preparation, coordination, and review. Monthly reports submitted by the producing agencies show the state of preparation of all NIS material in process. The attached graph (A), based upon the progress reports, shows the total number of sections in process at the end of each month, and the number of sections in each of the following five processing phases:

Phase 1 - Drafts approximately 1/3 complete.

Phase 2 - Drafts approximately 2/3 complete.

Phase 3 - Drafts complete and being reviewed by producing component.

Phase 4 - In process of review and coordination by Chapter Coordinator.

Phase 5 - Contributions being prepared for submission to CIA.

The average number of sections in process for all agencies in FY 1950 was approximately 471 sections, which is the approximate number of sections required for the production of the equivalent of 8 NIS, or one year's production requirement.

-11-

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b. An analysis of the progress reports, however, disclosed that no progress was made on many of the sections after they had been reported in a 1/3, or better, stage of completion. Following is a tabulation showing, by Agency, the number of sections reported in the same processing phase for six or more months:

|                  | 6<br>Months | 7<br>Months | 8<br>Months | 9<br>Months | 10<br>Months | 11<br>Months | Totals |
|------------------|-------------|-------------|-------------|-------------|--------------|--------------|--------|
| State            | 13          | 24          | 38          | 14          | 39           | 21           | 149    |
| Army             | 6           | 9           | 12          | 7           | 7            | 6            | 47     |
| Navy             | 1           | 0           | 0           | 0           | 0            | 0            | 1      |
| Air Force        | 1           | 0           | 0           | 0           | 0            | 0            | 1      |
| CIA - Map Branch | 0           | 0           | 0           | 0           | 0            | 0            | 0      |
| CIA - OSO        | 2           | 4           | 7           | 0           | 1            | 0            | 14     |
|                  | 23          | 37          | 57          | 21          | 47           | 27           | 212    |

c. The apparent complete stoppage of work on the considerable number of sections noted above can be attributed generally to the following:

(1) The opening of many new sections in the first half of FY 1950 under the approved schedule for this period, and the subsequent discontinuance of work on many sections when it was tentatively agreed (NIS Committee Meeting No. 48) that the FY 1950 schedule would have to be revised downward from 15 to 8 NIS per year, unless the capabilities of the Intelligence Agencies could be considerably augmented.

(2) The diversion of production effort from regularly scheduled material to partial and in some cases complete revisions of submissions which had been found deficient in D/NIS. With specific regard to State, many of the sections reported in the same phase for long periods were held up in the substantive review and final processing of

-12-  
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finished first drafts (Phase 3). Improvement of this situation was noted in recent months.

3. Production Requirements and Submissions of Agency Approved Draft Material

a. The production schedule for FY 1950 was formulated by the NIS Committee in May 1949 and the approved tentative schedule was issued on 7 June 1949, approximately one month before the start of FY 1950. This schedule was determined by Joint Staff requirements in accordance with agency capabilities believed to exist at that time. It provided for the production of the approximate equivalent of 15 NIS in FY 1950, which was consonant with the original long range production plan providing for the production of all NIS in areas of high priority by June 1952. However, it soon became evident that some of the agencies had overestimated their capabilities and, further, that the capabilities of the Armed Forces Intelligence Agencies would be reduced to an even greater extent by economy cuts.

b. A survey of agency capabilities resulted in a decision by the NIS Committee (Meeting No. 48, 15 Nov 49) which tentatively provided for future NIS schedules to accomplish approximately the equivalent of 8 NIS per year, and it was agreed that the FY 1950 schedule would be revised to conform with the new production objective. Revision of the 1950 schedule could not be done, however, until the Joint Staff had indicated whether or not there were any changes in requirements or in the JCS Priority List. Joint Staff views were requested in a memorandum dated 1 December 1949. In a reply dated 20 March 1950, the Director of Central Intelligence was advised that the Joint Staff concurred in the curtailment of the NIS Program from a production of 15 to 8 NIS per year. Submitted with the Joint Staff reply was a revised list of priorities to guide NIS production. On 18 April 1950 a revised production schedule was issued covering requirements for the last quarter of FY 1950.

-13-

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c. While NIS Committee action on 15 November 1949 indicated informal approval of production on an 8 NIS per year basis for FY 1950, the original 1950 schedule providing for 15 NIS per year remained as the official production schedule until 18 April 1950. As a consequence the Intelligence Agencies were charged with a total of 344 defections as of 1 April 1950. In order to show accomplishments against scheduled requirements, however, only the official schedules in force during the year have been considered in the following tabulation which shows the relative performance of the Intelligence Agencies.

|               | Total<br>Sections<br>Due CIA | Total<br>Sections<br>Delivered<br>to CIA | Total<br>Defections<br>FY 1950<br>(Sections) | Average<br>Monthly<br>Requirements<br>(Sections) | Average<br>Monthly<br>Production<br>(Sections) | Accomplishments<br>(% of Require-<br>ments Actually<br>Produced) |
|---------------|------------------------------|--|--|--|--|--|
| State         | 293                          | 107                                      | 186  | 24 5/12  | 8 3/4  | 36.5%  |
| Army          | 329                          | 170                                      | 159  | 27 5/12  | 14 1/6   | 51.6%  |
| Navy          | 60                           | 40                                       | 20   | 5  | 3 1/3  | 66.6%  |
| Air Force     | 46                           | 38                                       | 8  | 3 5/6  | 3 1/6  | 82.6%  |
| CIA - Map Br. | 54                           | 42                                       | 12   | 4 1/2  | 3 1/2  | 77.7%  |
| CIA - OSO     | 13                           | 1  | 12   | 1 1/12   | 0 1/12   | 7.7%   |
| CIA - OSI     | 1                            | 0  | 1  | 1/12   | 0  | 0%   |
|               | 796                          | 398                                      | 398  | 66 1/3   | 33 1/6   | 50%  |

d. Since no schedule based on a production of 8 NIS per year was issued for the entire FY 1950, no records are available for a comparative performance tabulation on that basis. However, the attached graph (B) shows the number of sections submitted each month by each agency; the average monthly requirements for all agencies for production of the approximate equivalent of

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8 NIS per year; and the actual average production per month of all agencies. It will be noted, that against an average monthly requirement of 40 sections per month, the agencies actually produced an average of 33 sections per month, which is the approximate equivalent of 6 1/2 NIS per year. Therefore, quantitative production by the Agencies during FY 1950 fell approximately 1 1/2 NIS short of the revised objective.

4. CIA Processing of Agency Approved Draft Material

a. The average time of processing NIS material from date of receipt in CIA to date of publication was 7 months and 13 days for the 216 sections that were published in FY 1950.

b. Delays in processing NIS material in CIA can be attributed in the first instance to qualitative inadequacies of the agency approved material, text and graphics, submitted to CIA.

c. A second major time lag has occurred in the GPO-State Services Office. Usually, two to three months have elapsed between the date page proofs were approved for final printing and the date of actual publication.

d. Delay in D/NIS processing also resulted from failure of agencies to submit all required copies of text or graphics. The irregularity occurring most frequently was the submission of an NIS section with the notice that the originals of certain figures had been sent to Map Division or Army Map Service and that color proofs would be delivered directly to D/NIS from one or the other of these agencies in a specified number of days, and it was seldom that the missing material was received in D/NIS in the time specified. All agencies had been notified that only complete NIS units would be accepted in D/NIS.

-15-

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5. Publications of NIS Material Approved for Printing by D/NIS

a. The attached graph (C) shows the month by month publication of NIS, and the monthly backlog of material in the GPO-State Services Office which had been approved for final printing.

b. The average monthly publication of NIS during FY 1950 was approximately 18 sections. The average monthly backlog of NIS material approved for final printing, which was in GPO-State Services Office, was 52 sections. At the average production rate maintained in FY 1950 (18 sections) it would take about 3 months to eliminate the backlog. If the sections are printed in the order in which final approval for printing is given to GPO it is obvious that there will be a continuation of the 2 to 3 months time lag before publication.

c. Annexes II and III, which follow, deal with the D/NIS processing in further detail.

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